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DEPARTMENT OF JUSTICE

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REGISTRATION UNIT
CRIMINAL DIVISION

UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20530

SUPPLEMENTAL STATEMENT

*Pursuant to Section 2 of the Foreign Agents
Registration Act of 1938, as Amended*

JUN 30 1977

For Six Month Period Ending _____
(Insert date)

Name of Registrant
United States-Japan Trade Council
Registration No.
929
Business Address of Registrant

I - REGISTRANT

1. Has there been a change in the information previously furnished in connection with the following:

(a) If an individual:

(1) Residence address	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(2) Citizenship	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(3) Occupation	Yes <input type="checkbox"/>	No <input type="checkbox"/>

(b) If an organization:

(1) Name	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(2) Ownership or control	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(3) Branch offices	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

2. Explain fully all changes, if any, indicated in Item 1.

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, and 5.

3. Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

Name	Position	Date Connection Ended
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4. Have any persons become partners, officers, directors or similar officials during this 6 month reporting period? ☒ Yes No ☐

If yes, furnish the following information:

<i>Name</i>	<i>Residence Address</i>	<i>Citizenship</i>	<i>Position</i>	<i>Date Assumed</i>
Robert C. Angel	2017 Golf Course Dr. Reston, Va. 22090	U.S.	Deputy Director	April 1, 1977

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5. Has any person named in Item 4 rendered services directly in furtherance of the interests of any foreign principal? Yes ☒ No ☐

If yes, identify each such person and describe his services.

Robert C. Angel
Contact with governmental and non-governmental groups and individuals
interested in U.S.-Japan economic relations.

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6. Have any employees or individuals other than officials, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period?
Yes ☐ No ☒

If yes, furnish the following information:

<i>Name</i>	<i>Position or connection</i>	<i>Date terminated</i>
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7. During this 6 month reporting period, have any persons been hired as employees or in any other capacity by the registrant who rendered services to the registrant directly in furtherance of the interests of any foreign principal in other than a clerical or secretarial, or in a related or similar capacity?
Yes ☒ No ☐

If yes, furnish the following information:

<i>Name</i>	<i>Residence Address</i>	<i>Position or connection</i>	<i>Date connection began</i>
Robert C. Angel	2017 Golf Course Dr. Reston, Va. 22090	Deputy Director	April 1, 1977

II - FOREIGN PRINCIPAL

8. Has your connection with any foreign principal ended during this 6 month reporting period?
Yes ☐ No ☒

If yes, furnish the following information:

Name of foreign principal

Date of Termination

-
9. Have you acquired any new foreign principal¹ during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish following information:

Name and address of foreign principal

Date acquired

-
10. In addition to those named in Items 8 and 9, if any, list the foreign principals¹ whom you continued to represent during the 6 month reporting period.

Government of Japan

III - ACTIVITIES

11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 8, 9, and 10 of this statement? Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail your activities and services:

Government of Japan

See Attachment - pages 1 - 11

¹ The term "foreign principal" includes, in addition to those defined in section 1(b) of the Act, an individual or organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a)(9)).

A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those foreign principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity² as defined below?

Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

Government of Japan

The answer to Item 11 has listed all of the activities of the registrant during the period in question. Some, but not all, of these activities constituted "political propaganda" within the meaning of the Act.

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals?

Yes ☐ No ☒

If yes, describe fully.

² The term "political activities" means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV - FINANCIAL INFORMATION

14. (a) RECEIPTS - MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise?

Yes ☒ No ☐

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.³

<i>Date</i>	<i>From Whom</i>	<i>Purpose</i>	<i>Amount</i>
January 29, 1977	Government of Japan	For promotion of the interests of the Government of Japan in the fields described in Exhibit B of the Registration Statement	\$104,632.00
February 28, 1977	" "	" "	17,800.00
June 8, 1977	" "	" "	131,528.00

Note: In addition to the above, \$25,428.00 was received from subscribers in the form of subscription fees. This sum was not received to be used in the interests of the foreign principal, but is reported here in order to make full disclosure of receipts.

\$253,960.00
Total

14. (b) RECEIPTS - THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value⁴ other than money from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal?

Yes ☐ No ☒

If yes, furnish the following information:

<i>Name of foreign principal</i>	<i>Date received</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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³ A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. See Rule 201(e).

⁴ Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) DISBURSEMENTS - MONIES

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 8, 9 and 10 of this statement? Yes ☒ No ☐

(2) transmitted monies to any such foreign principal? Yes ☒ No ☐

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Government of Japan			
Date	To Whom	Purpose	Amount
January 1 -	Jean Choate	salary	\$ 9,516.06
June 30, 1977	Robert C. Angel	salary	7,000.02
"	Noel Hemmendinger	salary	13,110.27
"	Hiroya Ichikawa	salary	11,125.14
"	Eugene J. Kaplan	economic consultant fee	15,862.02
"	Susan MacKnight	salary	9,748.56
"	Allan D. Schlosser	salary	14,611.08
"	H. W. Tanaka	salary	3,809.58
"	Allen Taylor	salary	17,599.45
"	various research & clerical personnel	salary	18,949.02
"	*** Scott Runkle	general public relations	9,499.98
"	*** Charles von Loewenfeldt, Inc.	West Coast rep. & general public relations	24,000.00
"	Stitt, Hemmendinger & Kennedy	legal & research	6,200.00
"	William Dazey	South West rep.	900.00
"	Adrian Fisher	legal fee	5,000.00
"	various	hospitalization	6,011.66
"	Donald Lerch	agri. symposium & agri. newsletter	9,000.00
"	various	taxes & insurance	8,793.63
"	various	books & periodicals	4,345.12
"	various	office equipment	10,170.42
"	various	general office	1,729.44
"	various	statistical data & Misc. Serv.	424.13
"	various	travel	4,732.64
"	various	research & reports	7,536.00
"	various	pamphlets & related	9,409.44
"	various	postage & phone	11,513.24
"	various	social, memberships, etc.	13,747.86

*** Activities of Scott Runkle and Charles von Loewenfeldt, performed for the Japanese Government but paid for in part through the Council, are covered in their reports to the Justice Department under Registration Nos. 2319 and 810 respectively.

(2) January 1 -
June 30, 1977 Government of Japan budget surplus \$23,074.00

Total

15. (b) DISBURSEMENTS - THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value⁵ other than money in furtherance of or in connection with activities on behalf of any foreign principal named in items 8, 9 and 10 of this statement?

Yes ☐ No ☒

If yes, furnish the following information:

<i>Date disposed</i>	<i>Name of person to whom given</i>	<i>On behalf of what foreign principal</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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(c) DISBURSEMENTS - POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value⁵ in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office? Yes ☐ No ☒

If yes, furnish the following information:

<i>Date</i>	<i>Amount or thing of value</i>	<i>Name of political organization</i>	<i>Name of candidate</i>
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V - POLITICAL PROPAGANDA

(Section 1(j) of the Act defines "political propaganda" as including any oral, visual, graphic, written, pictorial, or other communication or expression by any person (1) which is reasonably adapted to, or which the person disseminating the same believes will, or which he intends to, prevail upon, indoctrinate, convert induce, or in any other way influence a recipient or any section of the public within the United States with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party or with reference to the foreign policies of the United States or promote in the United States racial, religious, or social dissensions, or (2) which advocates, advises, instigates, or promotes any racial, social, political, or religious disorder, civil riot, or other conflict involving the use of force or violence in any other American republic or the overthrow of any government or political subdivision of any other American republic by any means involving the use of force or violence.)

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any political propaganda as defined above? Yes ☒ No ☐

IF YES, RESPOND TO THE REMAINING ITEMS IN THIS SECTION V.

17. Identify each such foreign principal.

Government of Japan
Foreign Ministry
Tokyo, Japan

⁵ Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating political propaganda?
Yes ☒ No ☐

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

Government of Japan

Approximately \$130,000 (estimated on basis of ratio to total activities)
Six month period

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of political propaganda include the use of any of the following:

☒ Radio or TV broadcasts ☒ Magazine or newspaper ☒ Motion picture films ☒ Letters or telegrams
articles
☐ Advertising campaigns ☒ Press releases ☒ Pamphlets or other publications ☒ Lectures or speeches

☐ Other (specify) _____

20. During this 6 month reporting period, did you disseminate or cause to be disseminated political propaganda among any of the following groups:

☒ Public Officials ☒ Newspapers ☒ Libraries
☒ Legislators ☒ Editors ☒ Educational institutions
☒ Government agencies ☒ Civic groups or associations ☐ Nationality groups

☐ Other (Specify) _____

21. What language was used in this political propaganda:

☒ English ☐ Other (specify) _____

22. Did you file with the Registration Section, Department of Justice, two copies of each item of political propaganda material disseminated or caused to be disseminated during this 6 month reporting period?

Yes ☒ No ☐

23. Did you label each item of such political propaganda material with the statement required by Section 4(b) of the Act? Yes ☒ No ☐

24. Did you file with the Registration Section, Department of Justice, a Dissemination Report for each item of such political propaganda material as required by Rule 401 under the Act?

Yes ☒ No ☐

VI - EXHIBITS AND ATTACHMENTS

25. EXHIBITS A AND B

- (a) Have you filed for each of the newly acquired foreign principals in Item 9 the following:

Exhibit A⁶ Yes ☐ No ☐

Exhibit B⁷ Yes ☐ No ☐ n/a

If no, please attach the required exhibit.

- (a) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period?

Yes ☒ No ☐

If yes, have you filed an amendment to these exhibits? Yes ☐ No ☒

If no, please attach the required amendment.

⁶ The Exhibit A, which is filed on Form ORD-67 (Formerly DJ-306) sets forth the information required to be disclosed concerning each foreign principal.

⁷ The Exhibit B, which is filed on Form ORD-65 (Formerly DJ-304) sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

26. EXHIBIT C

If you have previously filed an Exhibit C⁸, state whether any changes therein have occurred during this 6 month reporting period.

Yes ☒ No ☐

If yes, have you filed an amendment to the Exhibit C? Yes ☒ No ☐

If no, please attach the required amendment.

27. SHORT FORM REGISTRATION STATEMENT

Have short form registration statements, been filed by all of the persons named in Items 5 and 7 of the supplemental statement?

Yes ☒ No ☐

If no, list names of persons who have not filed the required statement.

The undersigned swear(s) or affirm(s) that he has (they have) read the information set forth in this registration statement and the attached exhibits and that he is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in attached Short Form Registration Statement, if any, insofar as such information is not within his (their) his (their) personal knowledge.

(Type or print name under each signature)

(Both copies of this statement shall be signed and sworn to before a notary public or other person authorized to administer oaths by the agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions who are in the United States, if the registrant is an organization.)

Noel Hennendinger

Robert C. Angel

Allen Taylor

Subscribed and sworn to before me at

District of Columbia

this

29th

day of

July

, 19

77

(Signature of notary or other officer)
My Commission Expires February 14, 1981

⁸ The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, constitution, and bylaws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause shown upon written application to the Assistant Attorney General, Criminal Division, Internal Security Section, Department of Justice, Washington, D.C. 20530.

Answers to Questions 11 and 12

1. Council Reports

(See preface to answer to Question 11, Section 1 (Council Reports) in Supplemental Statement for period ending June 30, 1971)

Congressional Reports

From January 1 through June 30, 1977, the Council issued 111 daily reports on Congressional activities of interest. (Nos. 1 - 111)

Council Reports

During the period, the Council prepared 36 Council Reports of a general nature. (Nos. 1 - 32)

- 1 International Trade Commission Actions Concerning Television Receivers from Japan
- 2 Economic Problems Facing New Fukuda Administration and Economic Outlook for 1977
- 3 International Economic Issues Facing the Carter Administration
- 4 Senate Confirmation Hearings
- 4A Official Actions Affecting International Trade: November 19 - December 30, 1976
- 5 Buy-National Practices of the U.S. and Its Trading Partners
- 6 International Economic Issues Facing the New Congress
- 7 Record U.S. Trade Deficit with Japan in 1976
- 8 Increase in Japan's Budget Expected to Boost Country's Growth Rate, Spur Imports and International Recovery
- 9 Possible Scenarios for the Japanese Economy in FY 1977
- 10 The Carter Administration and Trade Policy; A Nettle in Hand
- 11 International Economic Report of the President
- 11A Official Actions Affecting International Trade: December 15, 1976 - February 2, 1977
- 12 What Is Japan Doing to Help Solve International Economic Problems? -- A Japanese Government Official's View
- 13 Export Administration Act Advances; Buy American Amendment Blocked by House
- 14 Japanese International Competitiveness
- 15 World Energy Outlook
- 16 Senate Finance Committee Clears Strauss Nomination
- 17 The Collapse of "Japan Inc."
- 18 Fukuda-Carter Meeting
- 19 Carter Administration Trade Policy Begins to Emerge; Customs Court Decision Potentially Damaging
- 19A Official Actions Affecting International Trade: February 3, 1977 - March 31, 1977
- 20 U.S. Exports and Imports, Country and Commodity, January-December 1976
- 21 Joint Congressional Committee Examines Issues Facing Upcoming Economic Summit
- 22 Japan's Current Foreign Exchange Controls
- 23 U.S. Treasury Gives Japan Clean Bill on Export Subsidies -- Almost
- 24 Administration Officials Describe Economic Impact of the President's Energy Plan
- 25 The London Economic Summit
- 26 The Emerging Trade Policy of the Carter Administration
- 27 Big Three, UAW Attack Auto Tax Proposals Before Ways and Means Committee

- 28 U.S. Exports to Japan, by Commodity, January-December 1976
- 28A Official Actions Affecting International Trade: April 1, 1977 - June 1, 1977
- 29 Recent Developments in Japan's Foreign Exchange Controls
- 30 No Confrontation on Steel
- 31 North-South Dialogue Yields Limited Results
- 32 Some Observations About U.S.-Japan Economic Relations

Trade Roundups

During the period, the Council issued ten reports in a series entitled "U.S.-Japan Trade Roundup", describing activities in Tokyo and Washington affecting U.S.-Japan trade. (Nos. 1 - 10)

2. Publications and Research

(See preface to answer to Question 11, Section 2 (Publications and Research) in Supplemental Statement for period ending June 30, 1971.)

Publications

U.S.-Japan Trade in Perspective

A Council pamphlet discussing the substantial Japanese trade surplus with the United States in 1976, analyzing the various factors involved in Japan's bilateral and multilateral trade performance and forecasting future developments. 20,000 copies circulated to the Council's mailing list.

Japan's Economy: The Clouds Are Lifting

The Council reprinted the February 1977 Monthly Economic Letter of Citibank, which described the recent trend and likely future of the Japanese economy. 3,000 copies circulated to selected portions of the Council's mailing list.

The Vital Trade Bridge: From the Farms of America to the People of Japan

A commodity-by-commodity analysis of recent developments in agricultural trade between the United States and Japan. Among the commodities covered are feed grains, soybeans, wheat, beef and pork, cotton and tobacco. The pamphlet emphasizes the great importance to American farmers of the Japanese market, the large number of jobs created by U.S. farm exports and the likelihood that Japan will continue to be the No. 1 customer for American agricultural exports. The pamphlet was prepared for the Council by Donald Lerch and Company, and circulated to a mailing list of about 10,000.

The High Cost of NOT Doing Business with Japan

A Council pamphlet dealing with the larger issues involved in U.S.-Japan economic relations, replying to some of the allegations against Japanese imports and pointing out the benefits to the American consumer and the American economy of a liberal trade policy. 20,000 copies to the Council's mailing list.

U.S.-Japan Agricultural Trade Newsletter

The spring 1977 issue of this semiannual publication, circulated to about 10,000 members of the U.S. agri-business community. Subjects covered in this issue included U.S.-Japan wheat trade, fishing restrictions, the Tokyo Food Show, and a U.S.-Japan Trade Council agricultural conference held in Washington during April, at which featured speakers were Secretary of Agriculture Bob Bergland and Ambassador Togo. Writing, printing and distribution cost approximately \$3,500.

Research

Council prepared and submitted to the Embassy an analysis of the impact of imports on the following American domestic industries: motorcycles, audio tape equipment, electronic calculators, radios, broadwoven fabrics.

The following memoranda were prepared for the use of the Japanese government and Council staff:

- a. Next Assistant Secretary of State for East Asian and Pacific Affairs
- b. STR Prospects
- c. Will STR Be Downgraded by the Carter Administration?
- d. Commerce's Role in Economic Policy Making under the Carter Administration
- e. New STR -- Some Early Impressions
- f. OASIA Likely to be Thinned Down
- g. Deputy STR Search
- h. JEC Report Discusses Issues Facing Economic Summit
- i. Auto Tax Plan Poses Dilemma for Carter Administration
- j. Key Congressmen Sharply Criticize ITC
- k. Auto Tax Scheme in Deep Trouble on Capitol Hill
- l. Reuss Plans to Reintroduce Foreign Banking Bill
- m. Protectionists in Congress May Organize a Fair Trade Caucus
- n. Importers Upset by Proposed Toxic Substance Regulations
- o. Inouye, Stevenson to Introduce Technology Transfer Legislation
- p. Foreign Banking Measure is Revised in the House
- q. Bergsten Briefing
- r. Defusing Steel Issue
- s. Changes at Treasury
- t. White House Reviews a List of Candidates for ITC
- u. Other Trade Developments

3. Representation and Lobbying

(See preface to answer to Question 11, Section 3 (Representation and Lobbying) in Supplemental Statement for period ending June 30, 1971.)

Allan Schlosser

During the six-month period Schlosser represented the Council at the weekly meetings of the Trade Action Coordinating Committee (TACC), a group of 30-40 associations, organizations, law firms and Washington representatives of multinational corporations which meets periodically to discuss foreign trade and investment matters pending before the Congress and the Administration.

On January 24 lunched with Representative William Moorhead (D, Pa.) and reviewed foreign economic issues with Representative Sam Gibbons (D, Fla.).

During the latter part of January invited key staff members of several Mid-western senators to a dinner hosted by Counselor Watanabe of the Japanese Embassy. Attending the dinner were staff members of the Senate Finance Committee, Senator Robert Dole of Kansas, Senator John Culver of Iowa, Senator James Pearson of Kansas, and Senator Edward Zorinsky of Nebraska. The purpose of the dinner party was to develop personal contacts between the Senate staffers, Embassy officials and the Council. Various economic and trade issues between the two countries were discussed during the evening.

On February 4 lunched with Sam Goldberg, former Deputy Assistant Secretary of State for Congressional Relations, now administrative assistant to Senator John Heinz of Pennsylvania.

On February 17 discussed trade matters with Richard Rivers of the Senate Finance Committee staff.

On February 20 covered hearings before the Senate Banking Committee on the Export Administration Act, and met with Geoffrey Garin of Senator Heinz's staff.

On February 22 discussed Finance Committee legislation with Jeff Peterson, Counsel to the Committee, and alerted the National Association of State Purchasing Agents to problems posed by a Buy-American amendment to the public works bill.

On February 23 proposed to a TACC group lobbying Congress a substitute amendment to H.R. 11, a public works bill, diluting the impact of a stringent Buy-American provision in the bill.

On February 24 discussed Buy-American developments with Ray Garcia, Vice President of ECAT (Emergency Committee for American Trade), and foreign economic matters with Daniel Minchew, Chairman of the International Trade Commission.

On February 28 reviewed steel developments with Ms. Shelton, staff aide to Senator Bentsen.

On March 2 reviewed foreign economic issues with Dr. Richard Gilmore, staff aide of the Senate Foreign Relations Committee.

On March 10 through 15 met with Mr. Wright of Toyota, John Donaldson of STR, Claude Desautels of Xerox, Harry Lamar of the House Ways and Means Committee and Linda Bateson of Representative Sam Gibbon's office for discussion of current trade issues.

April 25-26 discussed pending legislation with John Karlik of the Joint Economic Committee, Harry Lamar of the House Ways and Means Committee and Richard Gilmore of the Senate Foreign Relations Committee.

On May 19 discussed steel trade problems with Sally Shelton of Senator Bentsen's staff, and the extension of the Export Administration Act with Roger Masak of the House International Relations Committee.

On June 2 briefed Charles McBride, who accompanied Secretary of Agriculture Bob Bergland on his tour of Pacific Basin countries, including Japan.

On June 3 briefed Rick Gilmore of the Senate Foreign Relations Committee on Japan's role in the international grain trade and briefed a staff aide to Senator Weicker on steel.

Hiroya Ichikawa

On January 12 gave information on the Japanese economy to an official of the Trade Analysis Section of the Department of Commerce.

Briefed Mr. Kate of the Research and Intelligence Division of the State Department on Japanese overseas investment.

On February 3-4, accompanied Mr. Sekiya of Mitsubishi Research Center in Tokyo on his visits to the Trade Policy Division of the Treasury Department, Dr. Lawrence Krause of the Brookings Institution, Professor Nathaniel Thayer of Johns Hopkins University, Daniel Minchew, Chairman of the International Trade Commission and Representative William Steiger (R, Wisc.).

On February 17 met with Mr. Dane Smith of the State Department for briefing on Japan's role in international cooperation.

On April 7 held discussion with Mr. Feketekuty of STR on U.S.-Japan trade problems.

On June 23 discussed U.S.-Japan issues with Mr. Michael Armacost of the National Security Council.

Eugene Kaplan

During the period discussed developments in the area of foreign investment in the U.S., foreign trade policy and U.S.-Japan relations with senior officials of the Department of Commerce and STR.

Discussed the international economy, the yen-dollar exchange rate, U.S. and Japan bilateral and overall trade and payments balances with officials of the Joint Economic Committee, International Monetary Fund and Brookings Institution.

Met with officials of the STR, State Department, Treasury, Commerce, Federal Reserve Board, Government Accounting Office and the U.S. Embassy in Tokyo for exchange of views on matters relating to the Japanese economy, U.S.-Japan economic relations, and developments in the international economy.

General

On February 3 the Council circulated to several hundred Washington trade policy officials its Council Report No. 8, "Increase in Japan's Budget Expected to Boost Country's Growth Rate, Spur Imports and International Recovery".

On February 11 the Council circulated to the same list its Council Report No. 10, "The Carter Administration and Trade Policy: A Nettle in Hand".

On March 31 Council held a large reception to celebrate its 20th anniversary and to introduce its new Deputy Director, Robert Angel. Ambassador Fumihiko Togo was the principal guest of honor at the reception, which was attended by 150 Administration officials, trade experts, members of Congress, staff members of House and Senate committees and lawyers and professors involved in international economic matters.

On June 16 the Council sent to its mailing list of 700 Washington trade policy makers a copy of Council Report No. 30, "No Confrontation on Steel". The report reviewed the current state of relations between the U.S. and Japanese steel industry, and concluded that there was no significant conflict at the time between the two industries or their governments.

On June 22 Robert Angel, the Council Deputy Director, discussed with Senator Hayakawa (D, Calif.) the question of how to encourage further Japanese investment in California.

On June 20 the Council sent to the list of 700 Washington trade policy makers a copy of Council Report No. 32, "Some Observations About U.S.-Japan Economic Relations". This was the text of a lecture by Dr. Eleanor Hadley, a leading American scholar of the Japanese economy, who spoke at the Brookings Institution under the sponsorship of the Japan Foundation and the Japan-America Society of Washington.

4. Seminars and Conferences

(See preface to answer to Question 11, Section 4 (Conferences) in Supplemental Statement for period ending June 30, 1971.)

Council organized a luncheon at its headquarters in March to bring together senior officials of the Japanese Embassy with American experts for discussion of President Carter's domestic economic policies. Participating in the discussion were Embassy economic officials, headed by Minister Fukada, and the following American experts: Dr. Arthur Okun, former chairman of the Council of Economic Advisers; John Karlik, staff of the Joint Economic Committee; Dr. Markley Roberts, Deputy Chief Economist, AFL-CIO; and Joseph Slevin, economic columnist for Knight Newspapers. This was one in a series of luncheon discussions planned by the Council to bring together American experts and Japanese Embassy officials for discussion of subjects of current interest.

On April 20, the Council held its annual conference on U.S.-Japan agricultural trade in Washington, arranged by Donald Lerch. The conference brought together representatives of American exporters of farm products, including the National Council of Farmer Cooperatives, National Farmers Union, American Farm Bureau Federation, National Grange, American Cattlemen's Association, American Soybean Association, Cotton Council International, Florida Citrus Commission, Poultry and Egg Institute, Tobacco Associates, U.S. Feed Grains Council, Western Growers Association and Western Wheat Associates with Japanese purchasers of farm products, including representatives of Mitsubishi, Marubeni, Mitsui, Sumitomo Shoji and Zen Noh. Principal speakers were Secretary of Agriculture Bob Bergland and Ambassador Fumihiko Togo. The conference was attended by about 200 persons, including 75 from U.S. government agencies, 110 from farm and commodity organizations and 20 representatives of farm and general press.

On May 24 the Council held another of its luncheon seminars at which top ranking Japanese Embassy officials are brought together with leading American experts for discussion of key policy issues. The subject of this seminar was energy. American participants included representatives of the Administration's Energy Department, the House Ad Hoc Committee on Energy, American Petroleum Institute, Coal Exporters Association, Motor Vehicle Manufacturers Association and the Atlantic Council.

On June 8 Eugene Kaplan conducted a briefing session on the Japanese economy at the Business Council for International Understanding at American University for several executives of the Esso Corporation who were leaving for assignment in Japan.

On June 30 the Council held the first in a series of colloquia aimed at better informing its staff about the Japanese economy. The speaker was Mr. Mitsuhsa Yoshino of Nihon Keizai Shinbun, who discussed Japanese-American economic relations as seen by a Japanese reporter in Washington.

5. Speeches by Council Officials

(See preface to answer to Question 11, Section 5 (Speeches by Council Officials) in Supplemental Statement for period ending June 30, 1971.)

On March 13 Hiroya Ichikawa lectured on the Japanese market at a meeting of graduate students in international economic affairs at Georgetown University.

On March 15 Ichikawa spoke on the Japanese economy at a meeting of the American Association of University Women in Easton, Pennsylvania.

On March 23 Eugene Kaplan lectured on "Management Differences and Problems in Japan" at an international management seminar held at the American Graduate School of International Management in Phoenix, Arizona.

On March 24 Dr. Ichikawa gave a lecture to a graduate class on foreign economic policy at American University.

Dr. Ichikawa taught a graduate seminar on the Japanese economy as a professorial lecturer at Johns Hopkins University's School of Advanced International Studies.

Robert Angel taught a six-week graduate course on the Japanese domestic political system at Columbia University during May and June.

6. Press and Media Relations

(See preface to answer to Question 11, Section 7 (Press and Media Relations) in Supplemental Statement for period ending June 30, 1971.)

During the period Council staff members performed the following services for the mass media:

- a. Explained U.S.-Japan trade and economic developments to reporters from the American Shipper and Home Furnishings Daily.
- b. Discussed the reasons for the large U.S.-Japan bilateral trade imbalance in 1976 with a reporter from the Christian Science Monitor's Washington Bureau. An article based in part on this conversation appeared on January 18.
- c. Discussed Japan's balance of payments situation with a writer for National Journal, providing him with time series data on Japan's balance of payments growth, inflation and unemployment.
- d. Provided ABC News with information on American imports from Japan in 1976 for use on a national network news program.

- e. Provided information to a reporter from the Los Angeles Times on Japan-EC relations.
- f. Provided economic information to a reporter from the Chugoku Shinbun.

Council views were quoted in an article in the Christian Science Monitor on January 18, entitled "U.S.-Japanese Trade Expected to Hold Steady".

Council views were reported in an article in the New York Times on February 8, entitled "U.S. Import Policy Awaits Outcome of Zenith Suit".

The Canada-Japan Trade Council newsletter of January 1977 published a summary of an article by Eugene Kaplan, the U.S.-Japan Trade Council's chief economist, which appeared in the American Banker of November 15, 1976. The article dealt chiefly with the yen-dollar exchange rate controversy and with misunderstandings about Japan's foreign trade policy.

The February 1977 issue of the monthly Journal of the American Chamber of Commerce in Japan printed a lengthy letter from Council Director Noel Hemmendinger correcting misinformation about the Council which had appeared in a previous issue of the Journal.

On March 3 Noel Hemmendinger wrote a letter to the editor of Business Week magazine correcting misinformation about Japan's role in world trade. The letter appeared in the April 4 issue of Business Week.

On March 4, Scott Runkle, representing the Council, wrote a lengthy letter to the chief editorial writer of the Chicago Tribune in response to a series of articles in the Tribune on imports of Japanese color TVs. The letter, which ran six pages, discussed in great detail various charges made against Japanese trade practices and provided facts in refutation of these charges.

On March 17 Council held an informal background briefing for leading representatives of the Japanese press on current trade litigation. Among those present were representatives of Asahi, Yomiuri, Mainichi, Jiji Tsushin, Kyodo and Nihon Keizai.

On March 19 Noel Hemmendinger, Council Director, was interviewed on the ABC network news on the problems caused American industry by Japanese import competition. Mr. Hemmendinger noted that the controversy was not basically between the United States and Japan, but between a group of Americans which would be benefited by import duties (manufacturers) and another group (consumers) which would be hurt.

During the period Scott Runkle (a) prepared a memorandum on a half-hour TV program on the impact of Japanese TV imports on Americans, submitted a collection of newspaper articles which indicated growing criticism of Japanese trade practices throughout the United States, and recommended that the Council publicly deal with these criticisms; (b) submitted a memorandum making suggestions on how to deal with the apparent anti-Japanese bias of recent reporting in Business Week on international economic matters; (c) and prepared and distributed a backgrounder to editorial page editors, columnists and TV commentators just prior to Prime Minister Fukuda's meeting with President Carter. The backgrounder was entitled "U.S.-Japan Relations Never Better as Fukuda and Carter Meet; Two Most Productive Democracies Join to Spur International Recovery". It dealt with Japan's current economic policies, bilateral issues

between the U.S. and Japan, Japan's balance of payments prospects and U.S.-Japan cooperation in international economic matters.

On April 13 Eugene Kaplan was interviewed on a national public radio nationwide news program entitled "All Things Considered". Speaking for the Council, Mr. Kaplan criticized the U.S. Customs Court decision requiring countervailing duties to offset rebates given by the Japanese government on the domestic excise tax for exports of color TV sets.

On June 17 Kaplan was interviewed by the Chicago Sun-Times on the color TV issue.

On April 21 Scott Runkle prepared a background article for American economic journalists and editorial writers which discussed in detail some of the charges made by U.S. TV manufacturers against the Japanese color TV industry. The article called attention to the high American consumer demand for Japanese sets, the ability of Japanese manufacturers to provide sets in large volume at lower prices to U.S. mass marketing chains, the fact that automation was a more important cause of the unemployment than import competition, the Japanese technological lead over U.S. manufacturers and the potential danger to the international economy that would result from protectionist moves in the United States.

On May 11 identical letters to the New York Times and the Washington Post were sent by Noel Hemmendinger, Council Director, correcting charges of dumping, subsidies and anti-trust violations being directed against Japanese TV exports to the U.S.

On May 16 the Japan Report, publication of the Japan Information Service, reprinted in summary form an article taken from a Council Report entitled "Stable Growth Era Altering the Seniority System".

On May 26 Allen Taylor wrote to the Saturday Review offering for publication an article prepared by the Council entitled "The High Cost of NOT Doing Business with Japan". The article was written in response to one which appeared in the magazine entitled "The High Cost of Doing Business with Japan", which the Council felt was unduly critical of Japanese economic practices.

7. Films

(See preface to answer to Question 11, Section 8 (Films) in Supplemental Statement for period ending June 30, 1971.)

In May the Council provided the University of Mid-America with a number of its films, produced by Charles von Loewenfeldt, for use in a course on Japan being offered at universities in the Mid West.

8. Advice to Japanese Government

(See preface to answer to Question 11, Section 10 (Advice to Japanese Government) in Supplemental Statement for period ending June 30, 1971.)

Council provided a memorandum to the Embassy on January 14 summarizing the contents of Senate Foreign Relations Committee confirmation hearings on Cyrus Vance as Secretary of State and Michael Blumenthal as Secretary of the Treasury.

Provided the Embassy with the trade and investment data on the states of Nebraska, Kansas and Iowa.

Provided the Embassy's Commercial Counselor with data on U.S. exports to the Near East by commodity during 1975-1976.

Shortly before Prime Minister Fukuda's visit to the United States, the Council submitted to the Embassy several memoranda analyzing in some detail possible protectionist moves against Japanese steel, automobiles and TV sets.

On May 10 Allan Schlosser gave Mr. Ozaki of the Embassy's Financial Section an update on the foreign banking bill.

On June 13 Schlosser sent a memorandum to the Embassy on a TACC briefing by Assistant Secretary of the Treasury C. Fred Bergsten.

On June 13 Schlosser reviewed various Congressional relations programs with Counselor Watanabe and Mr. Kohno of the Embassy's Information Section.

On June 14 Schlosser reviewed banking bill and other matters with Mr. Mutoh of the Embassy's Financial Section.

On June 20 Schlosser suggested to Counselor Watanabe possible participants for a breakfast meeting between Congressional aides and Mr. Satoh of the Gaimusho.

During April Eugene Kaplan arranged interviews at the request of Commercial Counselor Yokoyama at ECAT, the American Retailers Federation and the AFL-CIO for a MITI official who was preparing a study of U.S. trade policy.

On May 12 Susan MacKnight provided Counselor Yokoyama with data on U.S. exports of silk thread and yarn and U.S. imports of raw silk during the 1972-76 period.

On April 15 the Council sent a memorandum proposing the organization of a series of working dinners involving the Ambassador and senior Embassy officials with Senators and Congressmen.

On May 24 the Council provided the Embassy with information on investment by Japanese manufacturing companies in New Jersey, as well as data about New Jersey's trade with Japan.

On May 24 the Council provided the Embassy with detailed data on U.S. imports and sales of five leading Japanese products -- steel, cars, trucks, transceivers and color TV sets.

On June 24 the Council submitted to the Embassy data covering U.S. balance of payments, bilateral U.S.-Japan balance of payments and bilateral trade between the United States and Japan since the end of World War II.

9. Press Release

(See preface to answer to Question 11, Section 11 (Press Releases) in Supplemental Statement for period ending June 30, 1971.)

On February 2 the Council issued a press release, entitled "17.4% Increase in Japan's Budget Expected to Boost Country's Growth Rate to 6.7%, Spur Imports and International Recovery". This release was a five-page analysis of the economic plans of the new Fukuda Administration and the possible effect on Japan's growth rate, trade surplus and balance of payments.

On February 14 Council issued a press release entitled "U.S.-Japan Trade Council Names Deputy Director", describing the naming of Robert C. Angel to that position.

On June 17 the Council issued a press release entitled "Protectionist Moves Could Damage U.S.-Japanese Relations, While Also Harming American Consumers and Exporters". The release was based on the Council's pamphlet "The High Cost of NOT Doing Business with Japan".

10. Miscellaneous

On June 7 the Council prepared a briefing paper entitled "A New Phase in U.S.-Japan Economic Relations" for possible use by former Prime Minister Miki during his discussion in the U.S. with American officials. The paper covered such subjects as trade problems, U.S. foreign trade policy, U.S. foreign trade and foreign economic policy, Japan's industrial structure and possible courses of action by the Japanese government to deal with U.S. protectionism.

The Council was heavily involved in events surrounding the annual meeting of the U.S.-Japan Businessmen's Council, held in Washington in mid-June. Hiroya Ichikawa, the Council's economic consultant and Keidanren representative, arranged meetings for the visiting Japanese business leaders with Bert Lance, Director of OMB; STR Ambassador Strauss; Arthur Burns of the Federal Reserve Board; and members of the Trade Subcommittee of the House Ways and Means Committee. The Council arranged a luncheon on June 13 for Mr. Iwasa, the leader of the mission, and former Ambassador Shimanouchi of Keidanren with a half dozen U.S. economic journalists for discussion of U.S.-Japan economic issues. On June 14, the Council organized a seminar for the entire Japanese mission at which leading American experts made presentations on trade policy, agricultural policy and energy policy. On the same day Toshiwo Doko, President of Keidanren, held a press conference for the Japanese press at the Council's offices. On June 17 the Council arranged a seminar in its offices at which Japanese industrial structure and its impact on U.S.-Japan trade was discussed by Mr. Sumio Hara, Chairman of the Bank of Tokyo, Mr. Jiro Tokuyama of Nomura Research Institute and a high official of the Treasury Department. Japanese Embassy officials were also present.

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NOTICE

Please answer the following questions and return this sheet in triplicate with your supplemental statement:

1. Is your answer to Item 16 of Section V (Political Propaganda - page 7 of Form OBD-64 - Supplemental Statement):

Yes yes or No _____

(If your answer to question 1 is "yes" do not answer question 2 of this form.)

2. Do you disseminate any material in connection with your registration:

Yes _____ or No _____

(If your answer to question 2 is "yes" please forward for our review copies of all such material including: films, film catalogs, posters, brochures, press releases, etc. which you have disseminated during the past six months.)

Allen Taylor
Signature

7/29/77
Date

Allen Taylor

Please type or print name of signatory on the line above

Executive Secretary

Title